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BEFORE THE ARIZONA CORPORATION COMMISSION

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ARIZONA CORPORATION COMMISSION
DOCKET CONTROL

Arizona Corporation Commission

DOCKETED

DEC 13 2007

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IN THE MATTER OF THE APPLICATION
 OF ARIZONA WATER COMPANY FOR
 AN EXTENSION OF ITS CERTIFICATE
 OF CONVENIENCE AND NECESSITY AT
 COOLIDGE, PINAL COUNTY, ARIZONA

DOCKET NO. W-01445A-05-0389

NOTICE OF FILING OF COMPLIANCE
 ITEM/REQUEST FOR ADDITIONAL TIME
 TO COMPLY WITH FILING
 REQUIREMENT

On February 2, 2006 the Commission entered Decision No. 68442 in the above-captioned docket. Decision No. 68422 (the "Decision") approved Arizona Water Company's (the "Company") application for an extension of its Certificate of Convenience and Necessity for its Coolidge system. The first ordering paragraph of the Decision, at page 5, conditioned the approval of the extension on the conditions recommended by Staff, as set forth in Finding of Fact No. 18.

On February 1, 2007 Administrative Law Judge Marc E. Stern, via a procedural order, approved the Company's request for an extension of time, until February 2, 2008, to comply with the Decision.

The Company is now requesting an additional 365 days beyond the current compliance date, i.e., an extension to February 2, 2009, to comply. In support of this request, the Company presents the following reasons:

1 1. For the Skousen Farms development (Parcel One in the Decision), a
2 copy of the developer's ADEQ Certificate of Approval to Construct is
3 attached hereto as Attachment A. For the Lorensen Land and Cattle
4 development (Parcel Two in the Decision), the Company filed copies of
5 the developer's ADEQ Certificate of Approval to Construct and a Main
6 Extension Agreement in this docket on December 27, 2006, together
7 with a copy of a Certificate of Assured Water Supply for the Skousen
8 Farms development (as the Company pointed out at page 2, line 23 of
9 its December 27 filing, the Lorensen Land and Cattle development will
10 not involve subdivided land; therefore, pursuant to A.R.S. 45-576, a
11 Certificate of Assured Water Supply is not necessary). Therefore, the
12 Company has now complied with the Decision with respect to Parcels
13 One and Two.

14
15 2. With respect to the Vail and Kleck, LLC development (Parcel Three in
16 the Decision), the Company has received an updated development
17 status report, dated September 27, 2007, from Kam Talebi, the
18 Managing Partner of Vail and Kleck, LLC. A copy of the report is
19 attached hereto as Attachment B. Mr. Talebi's letter confirms that Vail
20 and Kleck, LLC is continuing with its plans to develop its property, but,
21 understandably, market conditions have had an effect. In addition, Mr.
22 Talebi has already confirmed his desire that the Company retain a
23 Certificate of Convenience and Necessity for Parcel 3 and that water
24 service will be required for the planned development per a letter that Mr.
25 Talebi filed in this docket on January 17, 2007.

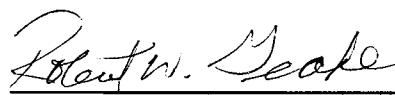
26
27 3. Finally, and, perhaps, most compelling, the Company is providing water
28 service to 15 customers in the expansion area approved in the Decision.

1 In consideration of the fact that, except for Parcel 3, as noted above, the
2 Company has filed all of the compliance items required by the Decision,
3 the Company submits that water service to these customers should not
4 be subjected to any interruption, as the Company is in substantial
5 compliance with the Decision.
6

7 In consideration of the foregoing, the Company respectfully requests another
8 year, until February 2, 2009, to comply with the remaining conditions with respect to
9 Parcel 3. This request should not prejudice any other party and, as noted above, the
10 lack of an extension would result in significant adverse prejudice to the developer who is
11 proceeding in good faith to develop its property in reliance upon the Decision and to the
12 customers in the expansion area.
13

14 RESPECTFULLY SUBMITTED this 13th day of December 2007.
15

16 ARIZONA WATER COMPANY
17

18 By: 
19 Robert W. Geake
20 Vice President and General Counsel
21 ARIZONA WATER COMPANY
22 Post Office Box 29006
23 Phoenix, Arizona 85038-9006
24
25
26
27
28

1 Original and thirteen (13) copies of the foregoing filed the 13th day of December 2007
2 with:

3 Docket Control Division
4 Arizona Corporation Commission
5 1200 West Washington Street
6 Phoenix, Arizona 85007

7 A copy of the foregoing was mailed this 13th day December 2007 to:

8 Christopher Kempley, Chief Counsel
9 Legal Division
10 Arizona Corporation Commission
11 1200 West Washington Street
12 Phoenix, Arizona 85007

13 Ernest G. Johnson, Director
14 Utilities Division
15 Arizona Corporation Commission
16 1200 West Washington Street
17 Phoenix, Arizona 85007

18 By: Robert W. Drake

ATTACHMENT A



ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY CERTIFICATE OF APPROVAL TO CONSTRUCT WATER FACILITIES

Page 1 Of 2

ADEQ File No: 20060473	LTF No: 40245
System Name: Az Water Co - Coolidge	System Number: 11014
Project Owner: Skousen & 87, Llc	
Address: 8800 N. Gainey Center Dr. #225, Scottsdale, AZ 85258	
Project Location: Florence	County: Pinal
Description: SKOUSEN FARMS SUBDIVISION. INSTALLATION OF APPROXIMATELY 19,891 LF OF 8-INCH C-900 PVC WATERLINE AND RELATED FITTINGS. TO SERVE 469 SINGLE-FAMILY RESIDENTIAL LOTS.	

Approval to construct the above-described facilities as represented in the approved documents on file with the Arizona Department of Environmental Quality is hereby given subject to provisions 1 through 8 continued on page 2 through 2

1. This project must be constructed in accordance with all applicable laws, including Title 49, Chapter 2, Article 9 of the Arizona Revised Statutes and Title 18, Chapter 5, Article 5 of the Arizona Administrative Code.
2. Upon completion of construction, the engineer shall fill out the Engineer's Certificate of Completion and forward it to the Central Regional Office located in Phoenix. If all requirements have been completed, that unit will issue a Certificate of Approval of Construction. R18-5-507(B), Ariz. Admin.Code. At the project owner's request, the Department may conduct the final inspection required pursuant to R18-5-507(B); such a request must be made in writing in accordance with the time requirements of R18-5-507(C), Ariz. Admin. Code.
3. This certificate will be void if construction has not started within one year after the Certificate of Approval to Construct is issued, there is a halt in construction of more than one year, or construction is not completed within three years of the approval date. Upon receipt of a written request for an extension of time, the Department may grant an extension of time; an extension of time must be in writing. R18-5-505(E), Ariz. Admin. Code.
4. Operation of a newly constructed facility shall not begin until a Certificate of Approval of Construction has been issued by the Department. R18-5-507(A), Ariz. Admin. Code.

Reviewed by: FMS

By: Kwame A. Agyard 1/29/07
Kwame A. Agyard, P.E. Date
Manager, Drinking Water and
Wastewater Engineering Review
Water Quality Division

cc: File No: 20060473
Regional Office: Central
Owner: Skousen & 87, Llc
County Health Department: Pinal
Engineer: United Engineering Group
Planning and Zoning/Az Corp. Commission
Engineering Review Database - Etr021

APPROVAL TO CONSTRUCT
WATERLINE EXTENSION
ADEQ FILE No. 20060473
PAGE 2 OF 2: PROVISIONS CONTINUED

5. Approval of Construction (AOC) will not be issued until data is obtained and verified for Pressure and Leakage Tests and Disinfection Sampling of constructed water lines. It is recommended that the Engineer's Certificate of Completion (ECC) Data Required Sheet be completed in full, showing actual pressures and sampling data. Data required with ECC sheet can be found under heading - Safe Drinking Water and subheading - Technical Engineering/Plan Reviews <http://www.azdeq.gov/function/forms/appswater.html#sdw>.
6. The public water system shall ensure that backflow-prevention is in accordance with A.A.C. R18-4-115.
7. Operation of a newly constructed facility shall not begin until a Certificate of Approval of Construction has been issued by the Department.
8. Before construction of a modification, expansion, or alteration of this distribution system begins, a separate Approval to Construct applicable to each addition must be obtained. A.A.C. R18-5-505(B).

ENGINEER'S CERTIFICATE OF COMPLETION AND FINAL INSPECTION "ECC"

ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY (ADEQ) - WATER QUALITY DIVISION

J:\shared\WED\APPLICATIONS-DrinkingWater\ECC-DrinkWtr 5/01

ADEQ FILE NO.: _____ - X DRINKING WATER DESIGN

COUNTY: _____

(New separate form now used for WASTEWATER DESIGN)

OWNER: _____

If separate Drinking Water & Wastewater Approvals to Construct were issued, separate ECCs required

Project Name: _____

(as shown on Approval to

Construct)

Project Description: _____

(as shown on Approval to Construct, unless completed project differed, in which case describe in detail)

I, _____ (print name), a Professional Engineer registered in the State of Arizona, have inspected the construction of the above described project, and certify that (check all applicable boxes, complete applicable blanks):

ITEMS 1) THRU 4) MUST BE COMPLETED

- ☐ 1) The work on this project was completed on _____ (date).
- ☐ 2) On _____ (date) a final construction inspection was conducted by ☐ MYSELF [-check one-] ☐ under MY DIRECT SUPERVISION by _____ (print name).
- ☐ 3) The materials utilized and the installation and construction of those materials and equipment are in conformance with the plans and specifications
- ☐ 4) All provisions listed in the ADEQ Approval to Construct for this project, a copy of which I have attached to this certificate, been fully satisfied or exceptions are listed on the reverse side of this certificate.
- ☐ 5) All construction and preoperational tests (infiltration, exfiltration, pressure, deflection, chlorination, bacti, etc.) (circle types performed) were properly conducted, met ADEQ requirements, and are presented in attachments to this Certificate. The total number of pages of test results attached is _____.

EITHER 6A) or 6B) MUST BE CHECKED

- ☐ 6A) Any deviation from the approved plans and the ADEQ Certificate of Approval to Construct have been noted on the attached "As-Built" plans (as stipulated in the Approval to Construct provisions) prepared and sealed pursuant to A.R.S. § 32-125 on _____ (date). Of the total _____ sheets of "As-Built" plans attached, deviations from the approved plans are shown on sheets numbered _____. All deviations from the approved plans comply with the ADEQ minimum design and construction standards contained in statute, rule, bulletin or referenced codes, and the key elements of the approved plans.
- ☐ 6B) The completed project did not deviate from the plans which received the Approval to Construct.

EITHER 7A) or 7B) MUST BE CHECKED

- ☐ 7A) This project did not require the preparation of an Operation and Maintenance Manual (the only projects which do NOT require an O&M manual are gravity-only sewage collection systems, single-family residence septic systems, and drinking water distribution projects that include no source, storage, or pressurization facilities).
- ☐ 7B) A FINAL Operation and Maintenance Manual has been prepared for this project and a copy is attached. This manual meets ADEQ minimum design and construction standards contained in statute, rule, bulletin, referenced codes, the key elements of approved plans, and, if applicable, with Attachment B of the September 10, 1994 Engineering Advisory for Individual Alternate Systems.

EITHER 8A) or 8B) MUST BE CHECKED

- ☐ 8A) Review of this project for Approval of Construction issuance does not require a fee because this project involves only drinking water, not wastewater.
- ☐ 8B) In accordance with A.A.C. R18-14-103 Schedule B, a check in the amount of \$ _____ is attached as initial fee for review of the submitted and other information for issuance of an Approval of Construction.

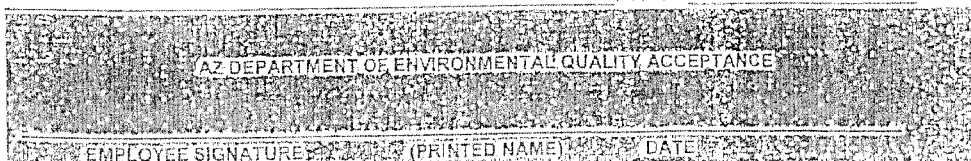
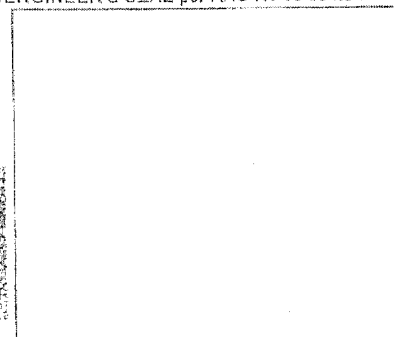
ADDITIONAL INFORMATION

- ☐ 9) Other, see additional information on reverse side.

Engineer Address _____

Phone _____

ENGINEER'S SEAL per AAC R4-30-304.B



EMPLOYEE SIGNATURE _____ (PRINTED NAME) _____ DATE _____

Vail and Kleck, LLC
18734 Melrose Chase
Eden Prairie, MN 55347

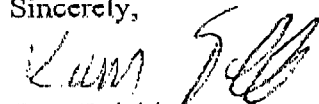
September 25, 2007

Arizona Water Company
Attn: Michael Loggins
3805 N. Black Canyon highway
Phoenix, AZ 85015

Dear Michael,

I wanted to follow-up regarding the 160 acres of land which we own in the city of Coolidge on Vail and Kleck. We have been reviewing our plans and in the process of reevaluating our plans redevelop this property earlier. Our plans include redevelopment as early as within twenty four months. If market conditions change however, we will revisit these timelines. If you have any questions, please feel free to contact me directly at 612.281.9490.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Kam Talebi', with a stylized flourish at the end.

Kam Talebi
Managing Partner